

REMARKS

The Office Action dated December 16, 2004, has been received and carefully noted. The amendments made herein and the following remarks are submitted as a full and complete response thereto.

Claim 9 has been amended. Applicants submit that the amendments made herein are fully supported in the specification and the drawings as originally filed, and therefore no new matter has been added. Accordingly, claims 3, 9 and 11-12 are pending in the present application and are respectfully submitted for consideration.

35 U.S.C. § 112

Claims 9 and 11-12 were rejected under 35 U.S.C. § 112, second paragraph, as being indefinite. In making the rejection, the Examiner was unclear how the recited element of the “input means” cooperates with the remaining elements of the claim, it seems to exist suspended in space without being tied to anyone other element.”

Applicants respectfully traverse the rejection, and submit that the “input means” is indeed tied to another element recited in the claim. In particular, the “input means” is tied to the element of a “cryptogram collating means” which includes a “comparing means for comparing **said data to be verified and received via said input means** with said third cryptogram (emphasis added).” Thus, the “input means” recited in claim 9 is functionally tied to at least the “comparing means.” As such, it is submitted that the “input means” is NOT a single element, and is indeed connected to other elements recited in the claim.

Nonetheless, claim 9 has been amended to recite --receiving means-- rather than “input means” in order to more clearly recite the subject matter of the present invention.

The subject matter of the claimed feature is described at least on page 13, line 27 through page 14, line 12, and therefore Applicants submit that no new matter has been added.

In light of the amendment to claim 9, Applicants submit that the --receiving means for receiving data to be verified-- is tied to the "cryptogram collating means" which includes a "comparing means for comparing ***said data to be verified and received via said receiving means*** with said third cryptogram (emphasis added)." Thus, Applicants respectfully request withdrawal of the rejection.

Rejection of claims 3, 9, and 11-12 under 35 U.S.C. § 103(a)

Claims 3, 9, and 11-12 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Takahashi et al. (U.S. Patent No. 5,504,701, "Takahashi") in view of Shi et al. (U.S. Patent No. 6,415,386 B1, "Shi") and Oruc et al. (U.S. Patent No. 5,270,956 A, "Oruc"). Applicants respectfully traverse the rejection and submit that each of these claims recites subject matter that is neither disclosed nor suggested by the cited prior art.

Claim 3 recites a point storing member comprising, among other features, a first cryptogram storing portion storing a first cryptogram, set by a first person concerned with manufacturing of said point storing member; a second cryptogram storing portion storing a second cryptogram set by a second person different from said first person and concerned with use of said point storing member; cryptogram collating means for collating said first and second cryptograms for generating a third cryptogram; and

determining means for determining whether said changing means should be allowed to change the points or not, based on said third cryptograms.

Claim 9 recites a point storing member comprising, among other features, a first secret data area for storing a first cryptogram setable by a first person concerned with manufacturing of said point storing member, said first cryptogram characterizing secret data of said first person; a second secret data area for storing a second cryptogram setable by a second person different from said first person and concerned with use of said point storing member, said second cryptogram characterizing secret data of said second person; and cryptogram collating means for collating said first and second cryptogram for generating a third cryptogram. The cryptogram collating means includes comparing means for comparing said data to be verified and received via said receiving means with said third cryptogram, wherein it is determined whether said changing means should increase said points or not, based on a result of the comparison by said comparing means.

It is respectfully submitted that the prior art fails to disclose or suggest at least the above-mentioned features of the Applicants' invention.

The Office Action characterized Takahashi as allegedly disclosing "a first cryptogram the wired logic circuit [sic] (col. 2, lines 56-67); a second cryptogram having memory cells concerned with the use of the card; and point changing means being the command decoder 20."

The Office Action admits that "there is no disclosure of a resultant third value cryptogram generated from the first and second [cryptogram]" in Takahashi, and relies

on Shi for allegedly teaching “resetting a smart card wherein a new or third is printed on an IC card following a comparison between its codes A and B, or i.e., the first and second cryptograms.”

The Examiner noted the shortcomings in Shi and took the position that “this third code [of Shi] is generated from a random pool and not a resultant of the first and second cryptogram values.” As such, Oruc is cited for allegedly teaching “generating a third value based upon a resultant of first and second codes.”

FIG. 1 of Takahashi shows a user memory 100 of a flash erase EEPROM, a wired logic circuit for controlling read, write and erase operations for a number of memory cells constituting the user memory 100, and the like. Shi merely discloses an autonomous random dynamic cryptogram lock system with a lock body and key body, and Oruc merely discloses a method and system for performing fast algebraic operations.

Applicants traverse the rejection and submit that the cited prior art are non-analogous and therefore not combinable; and even if the cited prior were indeed combinable, it is submitted that neither Takahashi, Shi nor Oruc, taken alone or in combination, disclose or suggest each and every element recited in the claimed invention.

The USPTO bears the burden under 35 U.S.C. § 103 of establishing a *prima facie* case of obviousness. In order to satisfy its burden, the USPTO must show some objective teaching in the prior art or that knowledge generally available in the art would lead the ordinary practitioner to combine the relevant teachings. *In re Fine*, 837 F.2d

1071, 1074, 5 U.S.P.Q.2d 1596, 1598 (Fed. Cir. 1988) (emphasis added). There must also be a reasonable expectation of success. Both the suggestion and the reasonable expectation of success must be found in the prior art and not in the applicant's disclosure. *In re Vaeck*, 947 F.2d 448, 493, 20 U.S.P.Q.2d 1438, 1442 (Fed. Cir. 1991).

As discussed above, Takahashi discloses a reusable prepaid memory card; Shi discloses a cryptogram lock system; and Oruc discloses a system and method for performing fast algebraic operations. Applicants respectfully submit that the USPTO failed to meet its burden of establishing a *prima facie* case of obviousness because one skilled in the art would not combine the cited references since they are completely irrelevant to the teachings of the present invention.

Applicants further submit that the rejection is purely based on impermissible hindsight. The mere fact that the prior art may be modified in a manner suggested by the Examiner does not make the modification obvious unless the prior art expressly suggested the modification. *In re Fritch*, 972 F.2d 1260, 1266, 23 U.S.P.Q.2d 1780, 1783-1784 (Fed. Cir. 1992) (emphasis added). It appears that the cited prior art of Takahashi, Shi and Oruc do not expressly suggest the modification required to result in the present invention, and therefore it is submitted that there is no motivation to combine the references.

Even assuming *arguendo* that the references were indeed combinable, Applicants submit that neither Takahashi, Shi, nor Oruc disclose or suggest, at least the following claimed features:

3. A point storing member comprising:

...

a first cryptogram storing portion storing a first cryptogram, set by a first person concerned with manufacturing of said point storing member;

a second cryptogram storing portion storing a second cryptogram set by a second person different from said first person and concerned with use of said point storing member;

...

cryptogram collating means for collating said first and second cryptograms for generating a third cryptogram; and

determining means for determining whether said changing means should be allowed to change the points or not, based on said third cryptograms.

9. A point storing member comprising:

...

a first secret data area for storing a first cryptogram setable by a first person concerned with manufacturing of said point storing member, said first cryptogram characterizing secret data of said first person;

a second secret data area for storing a second cryptogram setable by a second person different from said first person and concerned with use of said point storing member, said second cryptogram characterizing secret data of said second person;

...

cryptogram collating means for collating said first and second cryptogram for generating a third cryptogram, said cryptogram collating means including:

comparing means for comparing said data to be verified and received via said receiving means with said third cryptogram, wherein

it is determined whether said changing means should increase said points or not, based on a result of the comparison by said comparing means.

Hence, it is submitted that the cited prior art fails to disclose or suggest at least the features of "a first cryptogram storing portion," "a second cryptogram storing portion," and "a third cryptogram," and therefore claims 3 and 9 are allowable.

Moreover, in order to establish *prima facie* of obviousness, each feature of a rejected claim must be taught or suggested by the applied art of record. See M.P.E.P. §2143.03 and In re Royka, 490 F.2d 981 (CCPA 1974). As explained above, Takahashi, Shi and Oruc, taken alone or in combination, do not teach or suggest each feature recited by pending claims 3 and 9. Accordingly, for the above provided reasons, Applicants respectfully submit that pending claims 3 and 9 are not rendered obvious under 35 U.S.C. § 103 by Takahashi, Shi and Oruc.

As claim 11 depends from claim 3, and claim 12 depends from claim 9, Applicants submit that each of these claims incorporates the patentable aspects therein, and are therefore allowable for at least the reasons set forth above with respect to the independent claims, as well as for the additional subject matter recited therein.

Applicants respectfully request withdrawal of the rejection.

Conclusion

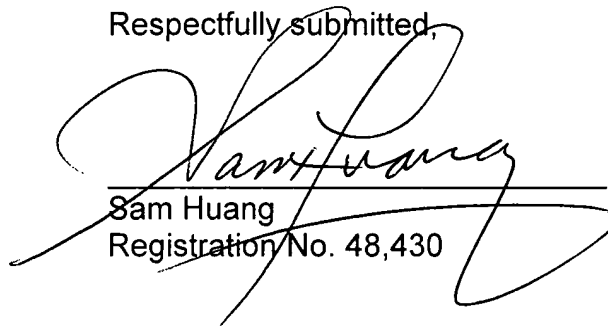
In view of the above, Applicants respectfully submit that each of claims 3, 9, 11 and 12 recites subject matter that is neither disclosed nor suggested in the cited prior art. Applicants also submit that the subject matter is more than sufficient to render the claims non-obvious to a person of ordinary skill in the art, and therefore respectfully request that claims 3, 9, 11 and 12 be found allowable and that this application be passed to issue.

If for any reason, the Examiner determines that the application is not now in condition for allowance, it is respectfully requested that the Examiner contact the

Applicants' undersigned attorney at the indicated telephone number to arrange for an interview to expedite the disposition of this application.

In the event this paper has not been timely filed, the Applicants respectfully petition for an appropriate extension of time. Any fees for such an extension, together with any additional fees that may be due with respect to this paper, may be charged to counsel's Deposit Account No. 01-2300 referencing Attorney Docket No. 100806-09020.

Respectfully submitted,



Sam Huang
Registration No. 48,430

Customer No. 004372
ARENT FOX, PLLC
1050 Connecticut Avenue, N.W., Suite 400
Washington, D.C. 20036-5339
Tel: (202) 857-6000
Fax: (202) 857-6395

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